

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

Selected Speeches and News Releases

June 28 - July 5, 1990

IN THIS ISSUE:

News Releases—

Ranchers Who Get “Smart” Can Protect Range, Boost Profits

USDA Announces Prevailing World Market Price for Upland Cotton

USDA Announces Drought Assistance: CRP Opened for Haying and Grazing

USDA Issues New Market-Price Report on Flowers

USDA Proposes Revision of Grade Standards for Burley Tobacco

USDA to Hold Conference on Federal and State Regulation of Biotechnology

CCC Interest Rate for July 8-1/8 Percent

U.S. and Soviet Union Reach Cooperative Germplasm Accord

USDA Adds Panama to EEP Initiative for Barley Malt to Central American Countries

Moseley Sworn in as Assistant Secretary for Natural Resources and Environment

Alabama Cotton Growers Vote to Support Boll Weevil Eradication

USDA Announces Prevailing World Market Rice Prices

Yeutter Names Five Members to National Pork Board

This Week's Honey-Loan Repayment Levels Unchanged

News Releases

U.S. Department of Agriculture • Office of Public Affairs

RANCHERS WHO GET “SMART” CAN PROTECT RANGE, BOOST PROFITS

WASHINGTON, June 28—A computer program now is available to help ranchers protect range from overgrazing and earn the most profit, a U.S. Department of Agriculture scientist said.

“The program, called SMART—for Simple Model to Assess Range Technology—can accurately match the number of yearling cattle on rangeland to the available forage,” said its developer, range scientist Richard H. Hart. “Although many seasoned ranchers are good at matching herd size to their grass supply, there is always room for error.”

SMART should remove some of that potential error and help other, less experienced ranchers be more efficient, said Hart who is with USDA’s Agricultural Research Service.

“The rancher inputs the stocking rate, initial weight of steers, total annual forage production and seasonal pattern of forage quality. Then SMART prints out forage supply and gains for each day and the cumulative totals for the grazing season,” said Hart in the latest issue of the agency’s Agricultural Research magazine.

By running the program on any IBM-compatible desktop computer, the rancher can try out several stocking rates and forage types, evaluate the results and decide which alternative to adopt. Hart developed the program, written in BASIC computer language, at the High Plains Grasslands Research Station, Cheyenne, Wyo.

“In the past century and during the early part of this one,” he said, “some ranchers would attempt to raise the same number of cattle year after year, say one cow and her calf per 20 acres. That was sometimes disastrous. Extended droughts like those of the 1880’s or 1930’s caused cattle to devour every blade of grass on the range and they still starved to death. Even when the cattle survived, this ranching practice cut into profits.”

Modern-day ranchers are more flexible; they trim herd size when prices fall or when grasses fail to provide enough nutrition. Hart said the

computer model will encourage better management and more stable income.

Growth rates and quality of plants in many range ecosystems can be built into the model. The current edition of SMART is for yearling cattle, but Hart's working up a version for cow-calf operations.

SMART can be obtained free by sending a formatted blank 5.25-inch, double-density diskette to Hart, High Plains Grasslands Research Station, Agricultural Research Service, USDA, 8408 Hildreth Road, Cheyenne, Wyo. 82009; telephone: (307) 772-2433.

Dennis Senft (415) 559-6068

#

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, June 28—Under Secretary of Agriculture Richard T. Crowder today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, June 29, through midnight Thursday, July 5.

Since the adjusted world price (AWP) is above the 1988 and 1989 crop base quality loan rates of 51.80 and 50.00 cents per pound, respectively, the loan repayment rates for the 1988 and 1989 crops of upland cotton during this period are equal to the respective loan rates for the specific quality and location.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates. Because the AWP in effect is above the established loan rate, loan deficiency payments are not available for 1989-crop upland cotton sold during this period.

The six-week transition period from using current shipment prices to using forward shipment prices in the Northern Europe price component of the AWP calculation is complete. However, because both current shipment prices and forward shipment prices for "coarse count" cotton C.I.F. northern Europe are not yet available, the Northern Europe coarse count price this week will equal the 5-day average of the 3 lowest-priced current shipment prices for "coarse count" cotton C.I.F. northern

Europe for the preceding Friday through Thursday. The six-week transition period for the Northern Europe coarse count price component of the AWP will begin whenever both the Northern Europe coarse count current price and the Northern Europe coarse count forward price become available.

In calculating the adjustment to average U.S. spot market location, Thursday's current shipment prices for U.S. Memphis territory and the California/Arizona territory as quoted for Middling 1-3/32 inch cotton C.I.F. northern Europe were used.

Based on data for the week ending June 28, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price	
Northern Europe Price	83.01
Adjustments:	
Average U.S. spot market location	13.40
SLM 1-1/16 inch cotton	2.20
Average U.S. location	0.39
Sum of Adjustments	<u>-15.99</u>
ADJUSTED WORLD PRICE	67.02 cents/lb.
Coarse Count Adjustment	
Northern Europe Price	83.01
Northern Europe Coarse Count Price	<u>-83.48</u>
	-0.47
Adjustment to SLM 1-1/32 inch cotton	<u>-4.75</u>
	-5.22
COARSE COUNT ADJUSTMENT	0 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Thursday, July 5.

Charles Cunningham (202) 447-7954

#

USDA ANNOUNCES DROUGHT ASSISTANCE: CRP OPENED FOR HAYING AND GRAZING

WASHINGTON, June 28—Secretary of Agriculture Clayton Yeutter today announced his intent to permit haying and grazing of Conservation Reserve Program (CRP) acreage under carefully prescribed conditions because of the impact of drought conditions on the availability of livestock feed in several isolated parts of the country.

The requirements which must be met before haying and grazing of CRP acreage will be considered are more restrictive than those applied in previous drought years. This will effectively target areas which are experiencing continuing livestock forage emergencies and better safeguard the environment.

“Unfortunately, the 1989 drought has continued into 1990 in a few areas of the country. Continuing drought added to the effects of a severe winter has drastically depleted supplies of forage,” Yeutter said.

“Livestock producers have exhausted stocks of hay that were carried into the winter and are now faced with another dry spring without hay and short of grass.”

“We would prefer not to hay or graze CRP lands,” Yeutter said. “We are responding to isolated situations with a cautious, prudent program that sustains the environmental protections that are the heart of the CRP.”

Yeutter said that qualifying farmers and ranchers in counties where the county Agricultural Stabilization and Conservation Service Committee documents, using updated data, that rainfall and/or forage are at least 40 percent below normal are eligible to apply for haying and grazing on CRP lands under the following conditions:

—All determinations will be on a county-by-county basis. No counties will be considered as automatically eligible based on old rainfall and forage data. All counties will be required to submit the most recent data available. All applications will be reviewed in Washington for accuracy.

—There will be a 50 percent offset in CRP payments for the current contract year.

—Hay harvested from CRP acres may not be sold but instead must be used by the CRP participants to maintain their livestock. Likewise, the leasing of grazing privileges on CRP acres will not be permitted.

Producers who violate these conditions will be subject to having their CRP contract terminated or to other remedies as may be authorized by the CRP contract and regulations. Such remedies could include a refund

by the participant of all payments made under the CRP contract or, if required by USDA's Commodity Credit Corporation in lieu of terminating the contract, a further reduction in future CRP payments.

—Producers who have been authorized to hay and graze CRP acres will be required to report hay harvest and livestock data to ASCS county offices.

—At least 25 percent of the field must be left undisturbed for wildlife cover if hayed. When grazed, at least 25 percent of the sum of the acres in contiguous fields must be left undisturbed.

—Any stand failures must be reestablished at owner expense. Vegetative cover specifications in the CRP contract will not be waived due to drought conditions.

—No haying or grazing on CRP stands planted after Dec. 1, 1988.

Stands to be grazed which were planted between July 15, 1988 and Dec. 1, 1988 must be inspected and approved by USDA's Soil Conservation Service.

—Only one cutting of hay will be permitted.

—There will be no haying after Aug. 1.

—Hayed acres must have at least three inches of stubble remaining.

—Each county grazing period and stocking rate will be determined by the ASC county committee in consultation with SCS, but there will be no grazing after Oct. 1.

—No assistance will be provided for livestock facilities such as fences or watering equipment on CRP acres.

State and county ASCS and SCS personnel have been directed to implement the program in an environmentally sensitive manner. "Our objective is to help livestock producers through this difficult period while also preserving the stands of grass and wildlife that nest there. We are confident we can do so," Yeutter said.

Bruce Merkle (202) 447-8206

#

USDA ISSUES NEW MARKET-PRICE REPORT ON FLOWERS

WASHINGTON, June 29—The U.S. Department of Agriculture is now furnishing weekly, shipping-point price and supply information for roses and carnations grown in Colorado.

Daniel D. Haley, administrator of USDA's Agricultural Marketing Service, said the new report will give higher visibility to Colorado-grown flowers in a highly competitive, multi-billion dollar industry. "It could not come at a better time, when the ornamental crops industry, and particularly the cut flowers business, is practically exploding," Haley said.

The report, which began June 5, is issued twice weekly by the Denver market news office of AMS' Fruit and Vegetable Division, Haley said.

U.S. demand for roses increased by about one-third between 1985 and 1989, with imported and California roses in 1989 totaling 526 million stems, compared with only 392 million stems in 1985. Carnation marketing is also on the rise, with over one billion stems marketed in 1989, while 930 million stems were marketed in 1985.

Most carnations traded commercially are imported; but domestically grown carnations, such as those grown in Colorado, are an important part of the commercial market, Haley said.

Haley said AMS complements market news reports from shipping points with market news reports on trading at terminal, i.e., wholesale, markets. Terminal markets reporting prices of flowers and other ornamentals are in Boston, New York, Philadelphia, Chicago, Seattle and San Francisco, he said.

Shipping-point price and supply information also is available for flowers grown in California, Florida, Massachusetts, and for flowers imported from Latin America. The information is obtainable on a fee basis through facsimile (FAX) and mailed reports from the offices responsible for gathering the data.

"The new Denver report on ornamentals is another example of AMS' continuing effort to provide sellers and buyers in the agricultural industry accurate market news data for making profitable decisions," said Haley.

Details of ornamental crops market news program, including subscription information, and details of the many other fruit and vegetable price and supply reports from 30 shipping points and 22 terminal markets, are available from USDA, AMS, Fruit and Vegetable

Division, Market News Branch, P.O. Box 96456, Room 2503-S,
Washington, DC 20090-6456, telephone (202) 447-2175.

Clarence Steinberg (202) 447-6179

#

USDA PROPOSES REVISION OF GRADE STANDARDS FOR BURLEY TOBACCO

WASHINGTON, June 29—The U.S. Department of Agriculture is proposing to add two grades to account for “green,” or green-hued, immature, tobacco in one group of burley tobacco.

Daniel D. Haley, administrator of USDA’s Agricultural Marketing Service, said burley tobacco groupings reflect the part of the tobacco plant from which leaf is pulled. Some groupings have grading standards to account for green leaf; but the mixed, or “M,” group, which incorporates tobacco taken from all parts of the plant, lack standards to account for green leaf, Haley said, so USDA is proposing to add two grades to describe it.

“In a period of high demand for tobacco, such as we have today, interest in “M” tobacco, with or without green leaf, increases. The proposed changes would provide a more accurate picture of this tobacco arriving at the marketplace,” Haley said.

The proposed revision results from AMS’s continuing review of the suitability of its grades to the circumstances of the market, Haley said.

Details of the proposal will appear as a proposed rule in the July 2 Federal Register. Comments, received no later than Aug. 1, should be sent to the director, Tobacco Division, AMS, USDA, Rm. 502 Annex, P.O. Box 96456, Washington, D.C. 20090-6456.

Clarence Steinberg (202) 447-6179

#

USDA TO HOLD CONFERENCE ON FEDERAL AND STATE REGULATION OF BIOTECHNOLOGY

WASHINGTON, June 29—The U.S. Department of Agriculture is holding the second national conference on federal and state roles in biotechnology regulation, on July 10-13 in Sacramento, Calif. A

workshop to assist state regulators is being held by USDA in conjunction with the University of California on the last two days of the conference.

“We intend to build upon the progress made at last year’s conference,” said James W. Glosser, administrator for USDA’s Animal and Plant Health Inspection Service. “This year, in addition to federal and state representatives, we have invited speakers from Canada, Europe, Japan and Mexico who will review international regulatory developments in this field.”

Representatives from USDA, the Environmental Protection Agency and the Food and Drug Administration will describe the federal regulatory process for biotechnology. Speakers from California, New Jersey and North Carolina will give updates on state regulations.

Other topics and activities include descriptions of pending products, public access to information, the data analysis involved in reviewing applications for field releases of genetically engineered organisms and a tour of Calgene, Inc., Davis, Calif.

The workshop on July 12 and 13 will review case studies in state policy development for biotechnology, and work toward developing guidelines for states that are considering drafting such policy.

The conference will be held at the Hyatt Regency in Sacramento. There is no registration fee. For more information contact Shirley Ingebritsen at USDA, APHIS, BBEP, Room 847 Federal Building, 6505 Belcrest Road, Hyattsville, Md., 20782; telephone (301) 436-5874.

Anita Brown (301) 436-5931

#

CCC INTEREST RATE FOR JULY 8-1/8 PERCENT

WASHINGTON, July 2—Commodity loans disbursed in July by the U.S. Department of Agriculture’s Commodity Credit Corporation will carry an 8-1/8 percent interest rate, according to Keith Bjerke, executive vice president of the CCC.

The 8-1/8 percent rate is down from June’s 8-3/8 percent and reflects the interest rate charged CCC by the U.S. Treasury in July.

Bruce Merkle (202) 447-8206

#

U.S. AND SOVIET UNION REACH COOPERATIVE GERMPLASM ACCORD

WASHINGTON, July 2—A team of U.S. Department of Agriculture researchers will go to the Soviet Union this fall to help scientists set up a computer bank for Russian plants.

Now in its infancy, the Soviet data base will be modeled after the Germplasm Resources Information Network (GRIN) developed by USDA's Agricultural Research Service, said James H. Elgin Jr., ARS national program leader for forage and pasture crops, Beltsville, Md.

GRIN stores over 1.5 million entries on about 8,100 different plant species worldwide, making it one of the largest in a central system, according to Elgin. He will lead the team to Leningrad in September.

"Our joint goal is to have their data base compatible with the GRIN system. Then, both countries will be able to have access to each other's information," Elgin said.

He said the Soviets are now at the stage of putting their germplasm evaluations into a computer data base. "Eventually, I can see a regular exchange of computerized germplasm information between our two countries," he added.

A communique on the new scientific cooperation was signed between ARS and the Soviet N.I. Vavilov Institute of Plant Industry on May 31. It provides for a reciprocal exchange of plant germplasm and related research information, including computerized data on plant specimens.

ARS administrator R. Dean Plowman said, "This accord creates a significant opportunity for both the U.S. and the Soviet Union to benefit." In the past, he said, the U.S. has had access to comparatively little from Soviet germplasm collections. "But," said Plowman, "there are wild relatives and ancestors of a number of important U.S. crops in the Soviet Union, including fruit, forage and grain crops."

"The USSR is an important reservoir of genetic material for us and they can profit from our plant work," he said.

Other provisions of the communique call for joint trips to collect native plants in both countries and the exchange of scientists for research projects on plant genetic resources.

A more formal plan of cooperation that includes the exchange and training of germplasm specialists and joint research to develop improved

methods of germplasm preservation is expected to be signed in the near future.

Kim Kaplan (301) 344-3932

#

USDA ADDS PANAMA TO EEP INITIATIVE FOR BARLEY MALT TO CENTRAL AMERICAN COUNTRIES

WASHINGTON, July 2—The U.S. Department of Agriculture has added Panama to the list of Central American countries eligible for barley malt under the Export Enhancement Program, according to F. Paul Dickerson, general sales manager of USDA's Foreign Agricultural Service.

The invitation for Central America (invitation GSM-507-93) now covers the sale of barley malt to Costa Rica, El Salvador, Guatemala, Honduras and Panama. The countries are eligible to purchase 35,750 metric tons of U.S. barley malt under the EEP initiative announced by USDA on Feb. 4, 1988.

For more information call Paul Cummins, (202) 382-9240, or Larry McElvain, (202) 447-3224. For a tape-recorded message announcing the issuance of invitations under EEP call the CCC Operations Hotline, (202) 447-2042.

Sally Klusaritz (202) 447-3448

#

MOSELEY SWORN IN AS ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

WASHINGTON, July 2—Secretary of Agriculture Clayton Yeutter today swore in James Moseley as Assistant Secretary for Natural Resources and Environment. Moseley was nominated by President George Bush on May 7 and confirmed by the Senate on June 28.

"I am very pleased that Jim has received Senate confirmation," Yeutter said. "He will be able to draw on his 20 years of experience as a successful farmer, his substantial involvement in agriculture and rural development policy, and his solid work at EPA. Jim is an outstanding professional and he is a superb choice to head the natural resources and

environment agencies of the Department. I am happy to have him on the team.”

Moseley will be responsible for the Natural Resources and Environment agencies: Forest Service and Soil Conservation Service. The objective of the Forest Service is to provide a sustained flow of renewable resources—outdoor recreation, forage, wood, water, wilderness, wildlife and fish—in a combination that best meets the needs of society now and in the future. The Soil Conservation Service has the responsibility for developing and carrying out a national soil and water conservation program in cooperation with landowners, community planning agencies and regional resource groups, and with other federal, state and local government agencies.

For the past year Moseley has served as agricultural advisor to William Reilly, administrator of the Environmental Protection Agency. Moseley has an extensive agriculture background. He built and managed a successful agriculture production operation for 20 years. He also has served with several public policy groups that work on agriculture and rural development policy at the local, state and national level, including the board of directors for the Farm Foundation.

Moseley, 42, is a native of Indiana. He attended Purdue University and received a B.S. degree in horticulture in 1973. Moseley and his wife, Kathryn, have seven children and live in Indiana.

Kelly Shipp (202) 447-4623

#

ALABAMA COTTON GROWERS VOTE TO SUPPORT BOLL WEEVIL ERADICATION

WASHINGTON, July 3—In a recent referendum, cotton growers in 21 counties of southeast Alabama voted 91 percent in favor of continuing their support of the Southeast Boll Weevil Eradication Program and increasing per-acre assessments.

“With the support of the cotton growers, boll weevil eradication will begin its fourth season in Alabama,” said James W. Glosser, administrator of USDA’s Animal and Plant Health Inspection Service. Cotton producers and state cooperators pay 70 percent of program costs, and the growers in each state vote in a referendum to decide if they want to participate.

“By approving the assessment increase from \$25 to \$35, Alabama has renewed its commitment to the program,” Glosser said. The per-acre assessment is scheduled to drop to \$20 in 1991-1994.

The count of 375 growers in favor of higher assessments and 37 against met the two-thirds majority required by Alabama state law to continue participation in the program.

The Southeastern Boll Weevil Eradication Program is a federal-state-industry cooperative effort. It began its present phase in Georgia, Alabama and Florida in the fall of 1987 after successfully eradicating boll weevils from Virginia, North Carolina and most of South Carolina. A similar program is in place in Arizona.

Enabling legislation recently passed in Florida to authorize a similar referendum in that state. Voting is expected to take place in mid-July with results available in August.

The boll weevil is the most destructive pest of U.S. cotton and has caused \$12 billion damage to the industry since it arrived in the United States from Mexico in 1892. More pesticide is used controlling boll weevil than any other insect pest in U.S. agriculture. Since the boll weevil has been eliminated from Virginia, North Carolina and most of South Carolina, pesticide use on cotton in those areas has dropped 71 percent.

Janna Evans (301) 436-7251

#

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, July 3—Acting Under Secretary of Agriculture Ann M. Veneman today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 8.36 cents per pound;
- medium grain whole kernels, 7.48 cents per pound;
- short grain whole kernels, 7.41 cents per pound;
- broken kernels, 4.18 cents per pound.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$5.25 per hundredweight;
- medium grain, \$4.82 per hundredweight;

—short grain, \$4.79 per hundredweight.

The prices announced are effective today at 3 p.m. EDT. The next scheduled price announcement will be made July 10 at 3 p.m. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-7923

#

YEUTTER NAMES FIVE MEMBERS TO NATIONAL PORK BOARD

WASHINGTON, July 2—Secretary of Agriculture Clayton Yeutter today announced five appointments to the 15-member National Pork Board. They will serve three-year terms.

The five were chosen from seven pork producers and an importer nominated by the National Pork Producers Delegate Body in Louisville, Ky., March 7-10.

Newly appointed producers are Raymond N. Hankes, Fairbury, Ill.; and Robert W. Ivey, Goldsboro, N.C. Reappointed are producers Ritchie A. Jordan, Suffolk, Va.; James S. McKee, Attica, Ind.; and importer Henry Greenebaum, Scarsdale, N.Y.

Established under the Pork Promotion, Research, and Consumer Information Act of 1985, the National Pork Board has developed budgets and awarded contracts to carry out a coordinated program designed to strengthen the position of pork in the marketplace.

The program is funded by a mandatory assessment of one-quarter of one percent of the market value of all hogs sold in the United States and an equivalent amount on imported hogs, pork and pork products. Assessments began Nov. 1, 1986.

One-third of the board members are appointed each year. The initial board was appointed in 1986.

Clarence Steinberg (202) 447-6179

#

**THIS WEEK’S HONEY-LOAN REPAYMENT LEVELS
UNCHANGED**

WASHINGTON, June 28—Producers may repay their 1989 honey price-support loans at the following levels, according to Keith D. Bjerke, executive vice president of the U.S. Department of Agriculture’s Commodity Credit Corporation:

Weekly Honey-loan Repayment Levels, color and class, cents per pound, 1989 crop Table

White	40.0
Extra-light Amber	37.0
Light Amber	36.0
Amber	35.0
Nontable.....	33.0

The weekly repayment level for 1990-crop honey is 38.0 cents per pound for all colors, table and nontable grades.

Levels are unchanged from those announced last week.

Producers who redeem their honey pledged as loan collateral by repaying their honey-price support loans at these levels may not repledge the same honey as collateral for another loan.

Jane K. Phillips (202) 447-7601
John C. Ryan (202) 447-8207

#